



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0826	Title:	Study protested taxes
Primary Sponsor:	McChesney, Bill	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund	\$70,000	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>(\$70,000)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of Fiscal Impact:

House Bill 826 creates an interim committee to study issues related to property tax disputes and the payment of property taxes under protest. Funding for committee activity and division costs is provided by a \$70,000 general fund appropriation to the Legislative Services Division.

FISCAL ANALYSIS

Assumptions:

1. The committee would consist of four legislators and six at-large members to be appointed by July 1, 2007.
2. The committee would be administratively attached to the Legislative Services Division (LSD) and primary support for the committee would be provided by the division.
3. The committee would meet ten times during the interim and produce a final report prior to September 15, 2008.
4. All members of the committee are entitled to salary and reimbursement of expenses at a cost of \$14,815 for personal services and \$29,120 for travel.
5. The balance of about \$20,000 contracted services budget may be inadequate to provide the committee with policy and research support staff should LSD resources become overcommitted by the several interim study bills and resolutions currently moving through the legislative process.

6. The division would contract for secretarial support, at a cost of \$3,600, to provide an accurate record of committee action. Operational costs of printing, postage, and supplies would total \$2,465.

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<u>Fiscal Impact:</u>				
Legislative Services Division				
<u>Expenditures:</u>				
Personal Services	\$14,815	\$0	\$0	\$0
Operating Expenses	<u>\$55,185</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL Expenditures	<u><u>\$70,000</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$70,000	\$0	\$0	\$0
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$70,000)	\$0	\$0	\$0

Technical Notes:

- At-large members listed in the bill include the administrator of the business and income tax division of the department of revenue and one member of the state tax appeal board. The bill requires that at-large members “must” be paid salary and expenses “in the same manner” as the legislators serving on the committee. Under section 2-2-104, MCA, both these members would be required to account for salaries from two public employment positions that overlap for the hours being compensated.
- While HB 826 is effective on passage and approval, funding is not available for committee work performed prior to July 1, 2007, when the appropriation is effective.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date